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*Proposed Special Litigation Counsel for Regal Property Holdings, Inc.,
Richard Neill Trevor Roberts, and Jane Sheridan Roberts*

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:

REGAL PROPERTY HOLDINGS, INC.,

Debtor.

Case No.: 13-13969-BTB
Chapter 11
Lead Case

In re:

RICHARD NEILL TREVOR ROBERTS and
JANE SHERIDAN ROBERTS,

Debtors.

Case No. 13-13968-BTB
Chapter 11
Proposed Joint Administration With:
13-13969-BTB

**DECLARATION OF CHRISTOPHER
MATHEWS IN SUPPORT OF
APPLICATION FOR ENTRY OF
ORDER AUTHORIZING THE
DEBTORS TO RETAIN LIONEL
SAWYER & COLLINS AS SPECIAL
LITIGATION COUNSEL FOR THE
DEBTORS**

Hearing Date: June 11, 2013
Hearing Time: 1:30 p.m. Pacific time
Courtroom: 4

1 I, Christopher Mathews, hereby state as follows under penalty of perjury:

2 1. I am over the age of 18 and mentally competent.

3 2. I make this declaration in support of the *Application for Entry of Order*
4 *Authorizing the Debtors to Retain Lionel Sawyer & Collins as Special Litigation Counsel for the*
5 *Debtors* (the “**Application**”) filed by Regal Property Holdings, Inc., Richard Neill Trevor
6 Roberts, and Jane Sheridan Roberts, (the “**Debtors**”) in the above-captioned bankruptcy case.
7 This Declaration constitutes the statement of Lionel Sawyer & Collins (“**LSC**”) pursuant to
8 Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure.

9 3. I am an attorney at law admitted to the bar of the state of Nevada and am a
10 shareholder in the law firm of LSC, proposed special litigation counsel for the Debtors in these
11 above-captioned bankruptcy cases.

12 4. I have personal knowledge of the facts stated herein, and, if called up to testify, I
13 could and would do so.

14 5. These bankruptcy cases were filed by the Debtors on or about May 6, 2013.

15 6. Members of LSC have practices emphasizing litigation, commercial law, real
16 estate, and other legal practice areas. Declarant has been a member of the Nevada State Bar
17 since 2007 and has been active in many litigation cases since that time. Prior to becoming a
18 member of the Nevada State Bar, Declarant was a member of the Air Force Judge Advocate
19 General Corps and a judge on the Air Force Court of Criminal Appeals, among other things.

20 7. The Debtors wish to retain LSC as their special litigation counsel because LSC
21 has represented the Debtors in litigation currently pending before the United States District
22 Court, District of Nevada, entitled *Stirling Mortimer Global Property Fund PCC Limited v.*
23 *Richard Neill Trevor Roberts, et al.*, case no.: 2:13-cv-00301-GMN-NJK (the “**U.S. Litigation**”).
24 Further, the Debtors have selected LSC as their special litigation counsel because of LSC’s
25 extensive experience and expertise in civil litigation matters similar to the U.S. Litigation.
26
27

1 8. LSC does not have any connection whatsoever with the United States Trustee for
2 Region 17 or any other persons employed by the Office of the United States Trustee.

3 9. Pursuant to Rule 5002(a) of the Federal Rules of Bankruptcy Procedure, neither I
4 nor any members or employees of LSC are relatives of any of the United States Bankruptcy
5 Judges serving in the United States Bankruptcy Court, District of Nevada, who are making
6 appointments or approving employment of professional persons in such Court.

7 10. Pursuant to Bankruptcy Rule 2014 and Section 2 of the Guidelines of the U.S.
8 Department of Justice, Office of the United States Trustee, Northern and Eastern District of
9 California and Nevada, a copy of this verified statement/declaration is being transmitted to the
10 Office of the United States Trustee concurrent with its filing.

11 11. I do not hold or represent, and, to the best of my knowledge and information, no
12 other attorney of LSC holds or represents any interest directly adverse to the Debtors or their
13 bankruptcy estates with respect to the matter for which LSC's retention is sought. Insofar as
14 LSC has been able to ascertain, neither I, nor LSC, nor any member, counsel, or associate
15 thereof, has any connection with the Debtors in this case, their creditors, or any other party in
16 interest, or their respective attorneys or accountants, except as hereinafter set forth.

17 12. LSC has undertaken a comparison of the persons and entities identified in the
18 Debtors' bankruptcy petitions as creditors holding claims against the most recent complete list of
19 LSC's current clients. LSC formerly represented or currently represents certain of the parties
20 listed on the Debtors' bankruptcy petitions in certain unrelated corporate, litigation, or other
21 matters. The parties, or their affiliates or subsidiaries, formerly or currently represented by LSC
22 are as follows:

- 23 - Bank of America;
- 24 - Chase Bank;
- 25 - Citibank;
- 26 - Dell Financial Services
- Faith Lutheran Middle – High School
- GE Retail Capital Bank
- Quest Diagnostics
- Wells Fargo

1 13. LSC does not and will not represent any of these certain parties with respect to the
2 above-captioned bankruptcy cases. Indeed, LSC will not represent any party other than the
3 Debtors in the above-captioned bankruptcy cases. LSC has not represented any party on any
4 matter related to the bankruptcy case or the U.S. Litigation in any way. Further, the subject
5 matter of the representations of these certain parties or their affiliates or subsidiaries does not
6 present a conflict of interest with regard to LSC's representation of the Debtors and their
7 bankruptcy estates.

8 14. Since February of 2013, LSC has received approximately \$83,400.00 in payment
9 of professional fees and expenses for services provided by LSC in connection with the U.S.
10 Litigation, such payments received on April 25, 2013 and April 30, 2013. Aside from general
11 consultations regarding the possibility of declaring bankruptcy and the effect of the same on the
12 U.S. Litigation, none of the fees paid to LSC represent payments for legal services in connection
13 with the preparation and filing of these chapter 11 cases. Those services were performed by the
14 Debtors' bankruptcy and reorganization counsel, The Schwartz Law Firm.

15 15. As of the petition date of May 6, 2013, LSC was owed the sum of \$17,494.92 for
16 professional fees and expenses expended or incurred during the months of April and May on
17 behalf of the Debtors in the U.S. Litigation. LSC has not been paid for such unpaid prepetition
18 services and expenses, nor has it released or forgiven any such amounts at this time.

19 16. LSC and the Debtors have agreed that LSC will charge for its professional
20 services at the normal hourly rates of each lawyer and paralegal working on the case and that
21 LSC will be paid for costs incurred in representing the Debtors. More specifically, the terms
22 upon which LSC has agreed to represent the Debtor are as follows:

23 a. LSC's services are necessary to enable the Debtors to adequately defend
24 themselves and prosecute potential claims in the U.S. Litigation.

25 b. LSC will charge its regular hourly rates for legal services rendered. LSC's
26 regular hourly rates for litigation matters presently range from \$185.00 per hour to

1 \$650.00 per hour, depending on the attorneys, paralegals, and others performing work
 2 and the nature and complexity of the work involved. LSC will also seek reimbursement
 3 of costs incurred with respect to the representation.

4 c. Although there may be others, the following attorneys will represent the
 5 Debtors with respect to the U.S. Litigation at the following rates: Samuel S. Lionel -
 6 \$650.00; Christopher Mathews - \$425.00; Marla J. DaVee - \$215.00; Ryan A. Andersen -
 7 \$215.00.

8 d. The above-described hourly rates are subject to periodic change by LSC in
 9 the manner provided for by applicable rules and guidelines.

10 17. There are no arrangements between LSC and any other entity for the sharing of
 11 compensation received or to be received in connection with its representation of the Debtors,
 12 except insofar as such compensation may be shared among the partners and associates of LSC.

13 18. LSC intends to apply to the Court for compensation for professional services
 14 rendered in connection with this case, subject to the approval of the Court, and will submit
 15 interim and final applications for compensation in accordance with the Bankruptcy Code, the
 16 Federal Rules of Bankruptcy Procedure, the Local Rules of this Court, and such other and further
 17 orders as the Court may enter.

18 19. LSC will periodically review its files during the pendency of these chapter 11
 19 cases to ensure that no conflicts of interest or other disqualifying circumstances exist or arise. If
 20 any new relevant facts or relationships are discovered or arise, LSC will use reasonable efforts to
 21 address any such further developments and will promptly file a supplemental declaration
 22 pursuant to Rule 2014(a) of the Federal Rules of Bankruptcy Procedure.

23 20. I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS
 24 TRUE AND CORRECT.

25 Executed on this 8th day of May, 2013.

26 /s/ Christopher Mathews
 Christopher Mathews, Esq.